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**AGENDA ITEM REQUEST FORM**

**Hays County Commissioners Court**

Tuesdays at 9:00 AM

Request forms are due in Microsoft Word Format via email by 2:00 p.m. on Wednesday.

**AGENDA ITEM**

Discussion and possible action to authorize County Judge to submit a State infrastructure Bank (SIB) loan application to the Texas Department of Transportation (TxDOT) for the construction of the FM 110 project (IH 35 at Yarrington Road to SH 123).

| ITEM TYPE    | MEETING DATE | AMOUNT REQUIRED |
|--------------|--------------|-----------------|
| ACTION-ROADS | June 4, 2012 | \$0.00          |

**LINE ITEM NUMBER**

**AUDITOR USE ONLY**

**AUDITOR COMMENTS:**

**PURCHASING GUIDELINES FOLLOWED:** N/A

**AUDITOR REVIEW:** N/A

| REQUESTED BY                              | SPONSOR  | CO-SPONSOR |
|---|----------|------------|
| Michael J. Weaver, Prime Strategies, Inc. | INGALSBE | CONLEY     |

**SUMMARY**

On February 12, 2013, Hays County Commissioners' Court approved a resolution authorizing the County to formally request that TxDOT participate in the financing and construction of a proposed Partnership program of nine (9) projects. The County has since made the formal request to TxDOT and coordinated with TxDOT Administration and Austin District staff and Texas Transportation Commission members regarding the proposed Partnership program. Based on anticipated action by the Transportation Commission to formalize the Partnership program at their May 30, 2013 meeting, the Court would submit a SIB loan application for the FM 110 project. At the May 15, 2013 Commissioners' Court meeting, Court authorized the County Judge to direct Hays County consultants to initiate project financing implementation strategies for the proposed Hays County-TxDOT Partnership. This action would specify that the Court authorizes the submission of a SIB loan application for the construction of the FM 110 project to be funded via the proposed County and City Transportation Reinvestment Zones (TRZ's).

Office of the Hays County Judge



Bert Cobb, M.D.

111 E. San Antonio St., Suite 300 • San Marcos, Texas 78666

Phone: 512.393.2205 • E-mail: bert.cobb@co.hays.tx.us

**VIA HAND DELIVERY**

June 5, 2013

Phil Wilson  
Executive Director  
Texas Department of Transportation  
Dewitt C. Greer Building  
125 E. 11<sup>th</sup> Street  
Austin, Texas 78701

Re: Hays County  
State Infrastructure Bank Loan Application for FM 110

Dear Mr. Wilson:

On behalf of Hays County, I am very pleased to present the attached State Infrastructure Bank (SIB) loan application for the FM 110 project from SH 123 to IH 35 at Yarrington Road. The SIB loan will be used to construct 11.25 miles of Phase One of the project: two travel lanes with grade separations at SH 80 and SH 21 and a grade-separated crossing with the Union Pacific Railroad.

We are requesting a SIB loan in the amount of \$48.0 million, the estimated cost for constructing the three (3) segments of the project. FM 110 is a high priority project in the proposed Hays County-TxDOT Partnership Program. The project will facilitate economic development in the eastern San Marcos area and provide an alternative to State Highway facilities in and around the San Marcos area, including IH 35, SH 123, SH 21, SH 80 and FM 621. Additionally, the FM 110 project will improve access and connectivity for the SH 130 project, enhancing the utilization of this facility. FM 110 has environmental clearance, and the County had retained engineering design services for all three segments, along with right-of-way acquisition and utility relocation services for the entire corridor, and work is underway. It is anticipated that all three segments of the project will be ready for construction by the fourth quarter of 2014.

In the Financial Feasibility section of our application we have included the Transportation Reinvestment Zone analyses prepared by TXP. The County and the City of San Marcos have been having ongoing discussions regarding the creation of the two TRZ's. Yesterday, along with the County's formal action to approve submitting the SIB loan application, the City conducted a

worksession on the City TRZ. The City approved moving forward with the creation of a TRZ with a 50% tax increment revenue allocation. As you will see in TXP's analyses, the two TRZ's would provide for a more than adequate revenue stream to pay back the SIB loan within a reasonable period.

We look forward to the Department's favorable review of our application. Please let me know if you have any questions regarding our application.

Sincerely,

A handwritten signature in blue ink that reads "Bert Cobb". The signature is fluid and cursive, with the first name "Bert" and last name "Cobb" clearly distinguishable.

Bert Cobb, M.D.  
Hays County Judge

#### Attachments

cc: John A. Barton, P.E., TxDOT Deputy Executive Director/Chief Engineer  
Russell Zapalac, P.E., TxDOT Chief Planning and Project Officer  
Marc Williams, P.E., TxDOT Planning and ENV Director  
Greg A. Malatek, P.E., TxDOT Austin District Engineer  
Debbie Ingalsbe, Precinct One Commissioner  
Mark Jones, Precinct Two Commissioner  
Will Conley, Precinct Three Commissioner  
Ray Whisenant, Precinct Four Commissioner  
Mark Kennedy, Hays County District Attorney's Office, Civil Division  
Michael J. Weaver, Prime Strategies, Inc.  
Dan Wegmiller, Specialized Public Finance, Inc.

STATE INFRASTRUCTURE BANK  
(SIB)  
Application for Financial Assistance

**SECTION I - Applicant Information**

Applicant Name: Hays County, Texas Taxpayer FEIN: 74-6002241  
Primary Contact: Bert Cobb, M.D. Contact's Title: County Judge  
Street Address: 111 E. San Antonio Street, Room 300 Phone Number: (512) 393-2202  
City, State, Zip: San Marcos, Texas 78666 Fax Number: (512) 393-2282  
Email Address: bert.cobb@co.hays.tx.us CSJ Number(s): TBA  
County: Hays  
TxDOT D/D/O/R:  
Austin - AUS - 14  
TxDOT District Engineer/Contact Name:  
Greg A. Malatek, P.E.

**SECTION II - Financial Information**

Requested Amount of Financial Assistance:  
\$48,000,000.00  
Total Cost of Entire Project: (i.e. right of way, construction, utilities, etc.)  
\$60.3 million: Construction \$48.0 million; Design \$5.3 million; Utility Relocation / Right-of-Way Acquisition \$7.0 million.  
Requested Terms: (including interest rate, number of years, etc.)  
0% Interest rate; First payment in Year 5; Repayment complete in Year 22 (2035).  
Proposed Pledge of Source of Repayment and Priority Claim to those Items:  
Transportation Reinvestment Zone revenue.  
List any other existing debt payable from the same revenue source *(Please attach documentation.)*  
None. Senior Lien on Transportation Reinvestment Zone revenues, subject to appropriation.  
List of all other outstanding financial agreements with TxDOT (toll equity, SIB loans, pass through tolls) *(Please attach documentation.)*  
Pass-Through Financing Agreement and three (3) amendments. Attached.

**SECTION III - Project Information**

Brief Description of the Project and Use of funds:  
See attached.  
Describe need for the project:  
See attached.  
What type of construction contract are you planning to use on the project (DB, DBB, etc.)?  
DBB.

**SECTION IV - Required Documentation**

Please check off each section once completed/addressed.

- Does entity have home rule charter? If Yes, please submit a copy of the charter, or provide link if a charter is posted online.  
 Contact information of your financial advisor and bond counsel submit.

Name: Specialized Public Finance Inc., Dan Wegmiller Phone: (512) 275-7302  
Address: 7000 N. Mopac Expwy, Suite 410 Austin, TX 78731 Email: dan@spubfin.com  
Name: Winstead, PC, Julia R. Houston Phone: (512) 370-2817  
Address: 401 Congress Avenue, Suite 2100, Austin, TX 78701 Email: jhouston@winstead.com

- Please attach bond rating letters from Moody's, Standard & Poor's, or Fitch, if any.
- Submit a resolution from governing board authorizing the application.
- Submit a financial feasibility study.
- Submit 5 years of financial statements.
- Submit a copy of the most recent budget.
- If applicant entity is designing and construction the project, please provide a preliminary design study which includes:
  - ◆ An initial route and potential alignments.
  - ◆ The project's logical termini and independent utility.
  - ◆ The location of all right-of-way, facilities and equipment required to make the project functional.
  - ◆ Revisions or changes to state highway system facilities necessitated by the project.
  - ◆ An Environmental Review of the project if available.
  - ◆ Legal or letter size map of the project.

All application information and materials can be submitted electronically to [sibapplication@txdot.gov](mailto:sibapplication@txdot.gov) or by mail to:

TxDOT Innovative Financing/Debt Management Office  
State Infrastructure Bank (SIB)  
125 East 11th St.  
Austin, TX 78701-2483

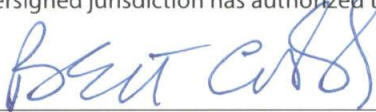
**Section V - Acknowledgment and Certification**

I certify that:

I have the authority to request and incur the debt described in this application, and upon award, will enter into contract for repayment of any financial assistance granted by the Texas Department of Transportation's State Infrastructure Bank (SIB).

I have completed the preliminary requirements as specified by the SIB Applicant Handbook, and will comply with all applicable state and federal regulations and requirements.

To the best of my knowledge, all information contained in this application is valid and accurate and the governing body of the undersigned jurisdiction has authorized the submission of this application.



\_\_\_\_\_  
Signature of authorized official

June 5, 2013

\_\_\_\_\_  
Date

Bert Cobb, M.D.

\_\_\_\_\_  
Printed Name

County Judge, Hays County

\_\_\_\_\_  
Title, Jurisdiction

**Submit by E-mail**



A Resolution of the Hays County Commissioners Court  
Supporting Submission of a State Infrastructure Bank Loan to the Texas Department of  
Transportation for the FM 110 Project

STATE OF TEXAS           §  
  §  
COUNTY OF HAYS       §

**WHEREAS**, development and construction of projects in the Hays County Priority Road Bond Program and Pass-Through Finance Program are moving forward and nearing completion; and

**WHEREAS**, Hays County has identified additionally-needed roadway projects and has coordinated with the Texas Department of Transportation (TxDOT) Administration about entering into a new Partnership Program to develop and construct these identified projects; and

**WHEREAS**, the County has identified surplus funds from its Priority Road Bond Program and Pass-Through Finance Program that could be utilized in the proposed Partnership Program;

**WHEREAS**, the County has received direction from the Texas Department of Transportation requesting that the County submit a State Infrastructure Bank (SIB) loan as part of the process to formalize the Hays County-Texas Department of Transportation Partnership program; and

**WHEREAS**, the County has approved directing its consultants to initiate project financing implementation strategies for the proposed Hays County-Texas Department of Transportation Partnership Program;

**NOW, THEREFORE, BE IT RESOLVED** by the Hays County Commissioners Court:

- (a) That the Hays County Commissioners Court does hereby support the submission of a SIB loan application in the amount of \$48.0 million for the construction of the County's priority project, FM 110 from IH 35 at Yarrington Road to SH 123.

**BE IT FURTHER RESOLVED** by the Hays County Commissioners Court:

- (a) That the Hays County Commissioners Court urges the Texas Department of Transportation to expedite the review and approval of the County's SIB loan application for the FM 110 project.



RESOLVED, ORDERED, AND DECLARED this 4<sup>th</sup> day of June, 2013.

*Bert Cobb*

Bert Cobb  
Hays County Judge

*Debbie Gonzales Ingalsbe*

Debbie Gonzales Ingalsbe  
Commissioner, Pct. 1

*Mark Jones*

Mark Jones  
Commissioner, Pct. 2

*Will Conley*

Will Conley  
Commissioner, Pct. 3

*Ray Whisenant*

Ray Whisenant  
Commissioner, Pct. 4

ATTEST:

*Liz Q. Gonzalez*

Liz Q. Gonzalez  
Hays County Clerk

